

Bryant seeks to help rent-to-own tenants

Lynchburg Virginia

By Michael Hewlett
The News & Advance

The eviction of three Lynchburg women and four children last summer, partly as a result of a "rent-to-own" contract, has drawn the attention of the General Assembly.

But a bill drafted by Del. Preston Bryant, R-Lynchburg, won't be addressed until next year after the Virginia Housing Commission, prompted by a Senate Joint Resolution, offers its recommendations based on a statewide study of rent-to-own contracts and other housing issues.

Bryant said he read about the issue in a July News & Advance editorial. The editorial stemmed from a News & Advance article which highlighted three women and four children who were being evicted after their home at 1328 Bedford Ave., was cited for two dozen code violations.

The women had been paying \$425 a month in a rent-to-own agreement for five years, or roughly \$25,500. They still had another 10 years to go to complete the contract.

"I called the Virginia Legal Aid Society and also talked to (City Attorney) Walter Erwin and (Housing Authority executive director) Ed McCann about it," Bryant said Monday. "I asked them to take a look at this issue as an ad hoc committee."

"I was a little concerned about it and wanted to see if there was any reasonable steps that could be taken to help protect folks that are not overly burdensome."

Bryant's bill, House Bill 1122, requires all rent-to-own contracts to be recorded in the land deeds where the property is located along with any documents indicating the financial arrangement. It also requires landlords to have their property inspected prior to tenants signing a rent-to-own contract and to provide the tenant with the inspection report.

"Many times, those entering into these contracts are your less sophisticated people," Bryant said. "And while I don't think we as a government can protect everybody we can take some steps to help protect people."

Lawyers say the rent-to-own contracts are legal but the contracts do tend to take advantage of people with limited options.

"We always tell people not to sign those," said Renae Patrick, managing attorney at Lynchburg's Virginia Legal Aid Society, in a June 27, 2001 article about rent-to-own contracts.

Commissioners with the Lynchburg Redevelopment and Housing Authority approved last September a resolution that would require inspections every time a tenant moved out.

That proposal also required an inspection before a new tenant signs a rent-to-own contract. The resolution must come before City Council for final action.

City Manager Kim Payne said City Council will look at that resolution as part of the budget process.

"The rental program is under discussion but beyond that there hasn't been much activity," he said.

The city started the rental inspection program in 1994 in an attempt to crack down on property owners who fail to maintain their homes, whether split into apartments or rented as a single-family residence.

The program gets its geographic boundaries from census tracts and roughly covers much of White Rock Hill, College Hill, Tinbridge Hill and the lower Rivermont area.

Payne said he and other administrators are looking at how broad the rental inspection program should be and whether the changes will mean more staffing and more money.

"I would guess that decision will have to be made as we move through the budget process," Payne said. City administrators will present their budget proposal to City Council in mid-March.

"I applaud Del. Bryant for introducing the bill," Payne said. "It's consistent with council's concerns and that of the housing authority. If it's not a statewide issue, it's an issue in Lynchburg."